GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:6329
ANSWERED ON:08.05.2000
HPCL`S MOU WITH GOVERNMENT
VENKATA KRISHNAM RAJU UPPALAPATI

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Hindustan Petroleum Corporation Limitedhas entered into a Memorandum of Understanding with the Government for the year 2000-2001. ;

(b) if so, the details of the Memorandum of Understanding;

(c) the targetted production of crude oil during the period as compared to the last three years;

(d) the profitability of the company and its comparison with the last three years

(e) whether the establishment expenditure has come down in the last three years; and

(f) if not, the efforts made to bring down such expenditure ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a): Yes, Sir.

(b): Salient features of the MOU of Hindustan Petroleum Corporation Limited (HPCL) for the year 2000-2001 are given in the annexure.

(c): HPCL has no target of production of crude oil during the year.

(d): The net profit during the last three years is as under :

(Rs./Crores.)

99-2000 Provi-sional	98-99 Actu-al	97-98 Actu-al	96-97 Actual
1050	901	701	612

(e) & (f): Increase in the establishment expenditure has been mainly due to implementation of pay revision. However, the Corporation has initiated cost control and reduction measures including Budgetary control and rationalisation of manpower and allowances.

ANNEXURE

Salient features of HPCL`s MOU for 2000-2001

DETAILS OF MOU TARGETS FOR 2000-2001

Criteria	Unit	2000-01 MOU Proposed

`(Very Good)`
Crude Thruput
MMT
Mumbai Refinery : 5.70
Visakha Refinery : 6.85

Total Distillates
WT%
Mumbai Refinery : 6.30
Visakha Refinery : 72.20

Fuel & Loss

(Including Bombay High associated Gas
Wt %
Mumbai Refinery : 5.70
Visakha Refinery : 7.00

Sales-Market Share
MS - Retail
HSD - Retail
%

26.1
23.6
Commissioning of
Retail Outlets : Dealerships
for LPG
%

65
Lubes-Markets Share
%
27.2
Customer
Satisfaction:
Reseller(MS/HSD)
Reseller (SKO)
Direct Consumers
Aviation
LPG

%
%
%
%
%

96
96
96
96
96
Gross Margin(PBDIT)+
Rs.Crs.
1270
New Profit as % of
Capital Employed+
%

762

+ These exclude prior period and extraordinary items of income, LPG Cylinder compensation.

In addition to above, targets have been set for -

a) Various aspects in Human Resources Management
b) Completion of projects/certain milestones in projects
c) ISO certification for 5 LPG Plants and 1 lube Blending Plant
d) Safety.